PARENTAL FINANCIAL SOCIALISATION AND SOCIOECONOMIC STATUS[1]

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Abstract

Parental socioeconomic status (SES) is increasingly become important in parental financial socialisation. The main purpose of this study is to determine the difference in parental financial socialisation across parental SES. Parental financial socialisation is measured through parental financial teaching, while parental SES is measured through parental income levels and education levels. Two hypotheses are formulated and tested, H1 states that there is a significant difference in parental financial teaching across parental income levels. H2 states that there is a significant difference in parental financial teaching across parental levels of education. Descriptive statistics Levene's test, Welch robust test, Tukey HSD test and ANOVA are used to analysed data. The results showed that there is a significant difference in parental financial teaching across parental income levels. The results further showed that there is a significant difference in parental financial teaching across parental levels of education. Thus, the overall results indicated that there is a significant difference in parental financial socialisation across parental SES. The study concludes by suggesting interventions that could help parents, government, financial institutions, and other stakeholders to deal with parental SES to improve on parental financial socialisation, which will in turn have an impact on financial literacy and financial well-being of young adults.

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1 This study is based on the author's PhD thesis entitled "The Influence of Parental Financial Socialization on the Financial Literacy of Young Black African Adults in Rural and Low-Income Areas of South Africa".

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1. Introduction

Parental socioeconomic status (SES) has recently gained increasing importance globally, because of its possible effect on parental financial socialisation. The SES of parents has an influence on their role in raising children (Salim & Pamungkas, 2022). Studies have also showed that parents SES has a significant effect on young adult's financial literacy and personal financial management (Ismail, Rowa, Tendean, Huseno & Hartati, 2022; Radianto, Efrata & Dewi, 2019; Homan, 2015). Other studies have linked parents SES with the timing of entry into a first co-residential union, field of study decisions and academic success (Keijer, 2021; Sabri, Gudmunson, Griesdorn & Dean, 2020; Brons, Liefbroer & Ganzeboom, 2017). Thus, parental SES has consistently been found to be an important factor in parents' and young adult's lives. However, it remained to be seen and proven beyond doubt if parents SES play a role in parental financial socialisation. The argument is that there seem to be differences in parental financial socialisation across parental SES. Parents have different SES and thus they might engage in parental financial socialisation differently. Parents who have a higher socioeconomic status tend to have broader insight and are more able to achieve greater income compared to those who has a lower socioeconomic status (Radianto et al., 2019). It is noted that parents with higher income are more likely to get involved in financial socialisation (Serido, LeBaron, Li, Parrot & Shim, 2020). The lack of parental financial socialisation has a tremendous impact on how young adults manage their finances and their overall financial well-being. Thus, it is important that young adults irrespective of their parents SES get the relevant and appropriate parental financial socialisation. Financial socialisation received early in life is positively associated with general saving habits (Boto-Garcia, Bucciol & Manfre, 2022). Young adults must be financially prepared during their transition into adulthood. Parental financial socialisation in childhood has a strong relationship with sound financial practices and asset ownership in young adulthood. Parental financial socialisation remains the main source of financial knowledge among young adults (Wee & Goy, 2022). Further, the young adults whose spending and financial behaviour were observed by parents in childhood displayed confident attitude towards personal finances (Kim & Chatterjee, 2013). Therefore, if there is something that can hinder parents to engage in financial socialisation it must be established and known so that the necessary interventions can be made to ensure that parental financial socialisation takes place, because it is important in how young adults engage in financial matters. Studies that have investigated the difference in parental financial socialisation across parental SES are very scant, especially in developing countries like South Africa. The few notable studies were conducted mainly in developed countries in Europe (Ekstrom, Tansuhaj & Foxman, 1987; Arikan,1991; Furnham,1999; Jorgensen & Salva, 2010; Serido, Shim, Mishra, & Tang, 2010; Gudmunson & Danes, 2011; Serido et al., 2020). There is no study which has focused on the difference in parental financial socialisation across parental SES in South Africa. The current study will investigate this issue to contribute to literature and to fill the identified research gap. It is important that the difference in parental financial socialisation across parental SES in South Africa be investigated so that the government can come up with programmes to address the gaps in parental financial socialisation. The prominent parental SES noted in literature are parents' income, parental social position or profession and education level (Radianto, et al., 2019; Serido et al., 2020). This study investigate parental SES through parents' income and education level. Parental financial socialisation is investigated through parental financial teaching. The objective of this study was to determine the difference in parental financial socialisation according to parental SES.

The following two hypotheses were tested:

H1: There is a significant difference in parental financial teaching across parental income levels.

H2: There is a significant difference in parental financial teaching across parental levels of education.

The remainder of this article is structured as follows: Sections 2 provides literature review, Section 3 explores research and methodology of the study, Section 4 covers analysis and discussions of the study. Section 6 provides conclusions.

2. Literature review

The theoretical framework for this study dealt with the financial socialisation theory and the family financial socialisation model to better understand the difference in parental financial socialisation across parental SES.

2.1. Financial Socialisation Theory

Danes (1994) introduced financial socialisation theory. The terms *financial socialisation* and *consumer socialisation* are sometimes used interchangeably in literature on the development of children's financial literacy; however, these terms are different. Financial socialisation was derived by Danes (1994) from the definition of consumer socialisation of Ward (1974). Danes (1994) argued that financial socialisation is the process whereby people obtain and develop financial knowledge, values, and behaviour that affect their financial behaviour and money management. This definition of Danes (1994) provides a comprehensive view of financial socialisation and includes the concepts of financial viability and well-being. Thus, financial socialisation is not only about learning financial skills, attitudes, standards, norms, and behaviours from childhood through adolescence, but is more concerned about what the socialisation process contributes to the overall financial well-being of individuals.

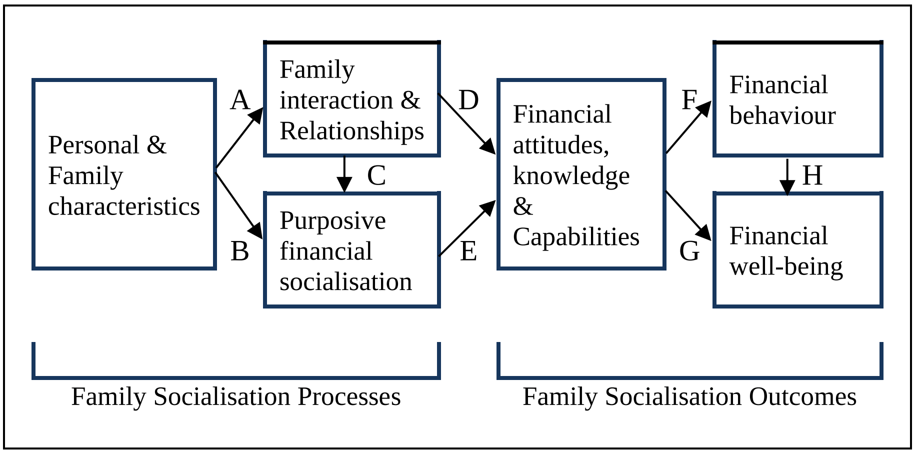
The comprehensiveness of financial socialisation is evidenced by the many broad areas of money handling, such as learning about earning, spending, saving, borrowing, sharing, maintaining, and increasing money, insurance, taxes, wills, and investment (Alhabeeb, 1996). According to Fox, Bartholomae, and Lee (2005), saving- and spending behaviours begin to form at an early age. These behaviours start within the family, through both formal and informal methods of teaching. This teaching includes the intergenerational transfer of knowledge, which occurs through observation, modelling, informal discussions, and direct teaching, which can help adolescents and young adults develop behaviours that lead to financial well-being throughout their life (Shim et al., 2010). According to Allen (2008), young adults reported that they learned most of their financial management knowledge and -skills from their parents. Thus, good financial attitudes are significantly related to better financial behaviours such as saving and money management and are negatively correlated to problematic outcomes such as financial distress (Shim, Barber, Card, Xia & Serido, 2010). Financial socialisation is a life-long process that is influenced by numerous socialisation agents, such as family, teachers, peers, and the media. Factors such as gender, socio-economic conditions of the family and the surrounding community, race, ethnicity, types of financial products that are available, public policies, and macro-economic trends are likely influential in financial socialisation (Gudmunson, Ray & Xiao, 2016).

2.2. Family Financial Socialisation Model

In quest to find a suitable model that would explain financial socialisation Gudmunson and Danes (2011) critically reviewed financial socialisation literature on family studies and financial literacy perspectives. Drawing from Moschis and Churchill's (1978) Conceptual Model of Consumer Socialisation, Gudmunson and Danes (2011) developed the Conceptual Family Financial Socialisation Model to indicate how family financial socialisation impacts financial socialisation outcomes. Their model differs from that of Shim, Xiao, Barber and Lyons (2009) and Shim et al. (2010), as it incorporates *Family characteristics and Family interactions & relationships into financial socialisation.* The model is shown in Figure 1.

Figure 1

Family Financial Socialisation Model



Source: Gudmunson & Danes (2011)

As shown in Figure 1, the model of Gudmunson and Danes (2011) indicates that demographic characteristics are found at personal and family level. Some demographic characteristics, like gender and age, race/ethnicity, and marital status, tend to be most important on the individual level, while household size, family development stage, and SES tend to be measured at the family level. The model poses demographic characteristics as predictors rather than control variables, and these are tied to financial socialisation through family socialisation processes. The interaction patterns between family members influence financial attitude, knowledge transfer, and financial capability development, even when financial socialisation is implicit (Gudmunson & Danes, 2011).

The model incorporates constructs such as family interpersonal communication, relationship quality, and parenting style to explain and measure family interaction and relationships. Furthermore, purposive family financial socialisation occurs through intentional efforts by family members to financially socialise each other. These efforts vary according to race/ethnicity and nationality. Characteristics such as gender, age, family structure, and family relationship type highlight family roles tied to cultural values and norms that underlie financial practices. The model also contains the paths from financial attitudes, knowledge, and capabilities to behaviour and financial well-being, which are intermediary financial socialisation outcomes indicating socially imbued individual characteristics adapted over time (Gudmunson & Danes, 2011).

The model of Gudmunson and Danes (2011) guided research in financial socialisation; other researchers constructed financial socialisation models based on this model, with some adopting it without change in their studies (Gudmunson & Beutler, 2012; Chowa & Despard, 2014; Tang, Baker & Peter, 2015; Jorgensen, Foster, Jensen & Viera, 2017; Jorgensen, Rappleyea, Schweichler, Fang & Moran, 2017; Antoni, 2018; Fulk & White, 2018; Zhu, 2018; Zhu & Chou, 2018; Kim & Torquati, 2019; Rea, Danes, Serido, Borden & Shim, 2019). These efforts to build an understanding of financial socialisation have been criticised for financial socialisation models seemingly focusing mainly on family interactions and relationships, purposive financial socialisation, and financial socialisation outcomes, with very little attention to the cognition of the child. The main narrative here is that children have different levels of cognitive ability, which will influence how they process financial information. The field of financial socialisation still lacks proper direction due to a lack of consensus on a conceptual model and measurements. The family financial socialisation model remained the widely adopted model by studies in financial socialisation besides its limitations. The current study adopts this model to better understand parental financial socialisation and parental SES.

Parental financial teaching, an example of purposive financial socialisation, involves the explicit transfer of financial knowledge and skills from parents to children (Rea et al., 2019). Parents socialise their children in financial affairs by directly teaching objective financial knowledge and by consciously and subconsciously sharing their financial norms and expectations. Bucciol and Veronesi (2014) found that adults whose parents taught them to save are more likely to save. Shim et al. (2009) assert that parental financial teaching has a stronger influence on the financial knowledge of first-year college students than financial education in high school and early experience with money. Webley and Nyhus (2013) found that parental financial teaching, such as encouraging children to save and teaching them to budget, has a positive effect on future orientation and saving rates of young adults aged of 18 to 32. Homan (2016) found that young adults who received the most parental financial teaching have fewer loans than those who were never taught. Grinstein-Weiss, Spader, Yeo, Key, and Freeze (2012) assert that greater parental teaching is associated with reduced loan delinquency and foreclosure, as well as with asset accumulation, in young adults.

The SES of parents is considered an important factor in financial socialisation, as it affects the children’s relationship with their parents and the children’s influence on family decision-making (Moschis & Churchill, 1978). Research suggests that parents’ SES may affect three primary methods of financial socialisation, namely modelling, discussions, and experimental learning (Serido et al., 2020). The prominent SES factors noted in literature are parents’ income, education level, and occupation. Ekstrom et al. (1987) posited that parents enjoying a high SES may lead to reciprocal financial socialisation, because these parents are more receptive to their children’s opinions, and the children therefore have a greater influence on the family’s financial decision-making. These children also have more opportunities for economic consumption (Ekstrom, et al., 1987).

Arikan (1991) posited that parents with a high income may be inclined towards luxury consumption motivated by showing off to secure a higher status in the community. Such parents spend their surplus income instead of saving it. This behaviour is then observed by their children and may manifest in the same behaviours by the children (Arikan, 1991). However, Furnham (1999) found that saving rates are higher amongst children with parents with a higher income. Serido et al. (2020) found a positive relationship between a high parental SES and positive financial practices in childhood and young adulthood. Parents with a higher SES may be more proactive and confident in teaching their children about finances (Serido et al., 2020).

Gudmunson and Danes (2011) assert that income, education level, and occupation underpin parents' ability to foster desirable financial practices in their children, which could lead to better financial outcomes in adulthood. Jorgensen and Salva (2010) found that parents with a higher educational attainment are the primary socialisation agents for college students. The authors note that this may be due to these parents being more likely to communicate with their children and allow them to express their opinions. Serido et al. (2010) argue that a combination of parental income and education plays an important role in parent–child financial interactions, which then impact their development of financial coping behaviours. Parents with college and graduate degrees, high-status occupations (i.e., professionals), and financial wealth can provide more human, social, and financial resources for the development of the child, and are thus better able to foster positive financial practices. These parents are also in a better position to enhance young adult children's asset acquisition through parental access to financial institutions.

Kim and Chatterjee (2013) note that financial problems can have a tremendous impact on the emotions, behaviours, and beliefs of parents, which could influence their socialisation skills and strategies negatively, and also detrimentally affect their financial socialisation practices. According to Sherraden (2013), it would be extremely difficult for parents who lack financial knowledge and expertise to foster positive financial behaviours in their children. Sherraden (2013) adds that parents with a low income are also less likely to socialise their children financially. Thus, children from low-income homes have less experience with money and could be less aware of the range of consumer goods. However, Ward (1974) argued that children from low-income homes are more likely to be skilled consumers, because they have had to learn disciplined use of scarce resources.

From the above conflicting views, it is clear that the difference of parents' SES on the financial socialisation of their children requires further examination.

3. Research and methodology

Positivism is the philosophical assumption underlying this study. The epistemological assumption of positivism holds that meanings reside within entities as objective truth and independent of the human mind (Cohen, Manion & Morrison, 2018). Positivism typically calls for deductive reasoning, a highly structured methodology, large samples, and quantitative measurement, in order to facilitate replication (Gill & Johnson, 2010). This study adopted the quantitative research approach because is associated with methodological principles of positivism, especially when used with predetermined and highly structured data collection techniques. Moreover, it gives the researcher more control over external factors that could influence the research (Adams, Khan & Raeside, 2014). The research design for this study is non-experimental because the setting is not controlled and there is no manipulation of the variables. There is no intervention by the researcher, and it is widely used in quantitative research. This study used self-administered questionnaire which were distributed to respondents' homes to collect data. Questionnaire were design in line with the objective of the study and used existing Likert type scales adopted from literature and also self-constructed scales. The Likert scale consisted of 5-point scales that ranged from strongly disagree (1) to strongly agree (5). Ordinal data questionnaire were use used to collect parental socioeconomic status data.

The population for this study is young adults in South Africa between the age of 18 and 35 because young adults in South Africa are confronted with complex financial decisions and they are in a position to recall some of the financial socialisation by their parents while they were growing up. The sample size for this study is 500 young adults calculated through Yamane's (1967) formula. This sample size was suitable for conducting Exploratory Factor Analysis (EFA) (Krejcie & Morgan, 1970; Tabachnick & Fidell, 2013).

This study used simple random sampling because it afforded all young adults in all provinces of South Africa an equal chance to be included in the sample (Babbie, 2013). South Africa has nine provinces, so a province name was written on a piece of paper, folded placed in a box and picked one by one and ordered the way they were picked. The province which was picked first was visited first then the next province until the sample size was reached. Before data can be collected permission was obtained from the University of South Africa

(UNISA) ethics committee. Young adults were visited at their homes to collect data. Data was collected for a period of three months mainly on weekends to ensure that those who were at schools and work are available and accessible, so that high response rate is achieved. A total of 472 young black African adults completed the questionnaire, this provided a response rate of 94%.

This study measured validity and reliability through construct validity and Cronbach alpha. Construct validity was assessed through EFA by conducting a Kaiser-Meyer-Olkin (KMO) and Bartlett's test of sphericity. The acceptable value of KMO which is suitable and adequate for EFA is 0.50 and above. While Bartlett's test of sphericity is significant for EFA if the significance value is ($p < 0.05$). Factors loadings of ±.30 to ±.40 are minimally acceptable, values greater than ±.50 are generally considered necessary for practical significance (Hair, Black, Babin, & Anderson, 2014). This study retained a minimum factor loading of .30 for interpretation. Cronbach alpha was used to measure reliability, as is the most widely used reliability measure of internal consistency (VanderStoep & Johnson, 2009). Cronbach alpha with a score of 0.60 and more were accepted and considered to be reliable (Cohen et al., 2018). After ensuring reliability and validity data was analysed through descriptive statistics, Levene's test of homogeneity, Welch robust test for equality of means, Tukey HSD test of homogenous subsets and ANOVA.

4. Analysis and discussions

To assess the suitability of data to conduct factor analysis, KMO and Bartlett's test of sphericity was used in this study. Table 1 shows the results of the KMO and Bartlett's test of sphericity.

Table 1

KMO and Bartlett's Test

Factor	Kaiser-Meyer-Olkin Measure of Sampling Adequacy (KMO)	Bartlett's Test of Sphericity		
		Approx. Chi-Square	df	Sig.
Parental financial teaching	0.768	1924.345	13	0.002

Source: SPSS

Table 1 showed that the KMO for the factor parental financial teaching was 0.768, above 0.60. The p-value of the Bartlett's test for parental financial teaching is (p=0.000) is smaller than 0.05, is significant. This result is an indication that the correlation structure of construct is adequate to conduct a factor analysis on the items and that the factor is regarded as valid and reliable.

Table 2 shows the results of the EFA, reliability by depicting the Cronbach's alpha, and descriptive statistics for the constructs and factor of the study.

Table 2

Validity, reliability, and descriptive statistics results

Factor	EFA factor loadings			CA	Descriptive Statistics	
Variable	Items	Highest	Lowest	α	μ	SD
Parental financial teaching	6	0.951	0.320	0.909	3.03	1.29

Source: SPSS

Table 2 indicated that one factor was extracted by the EFA, with six items loaded onto the factor as expected, with loadings of above 0.30. The overall factor loadings range from 0.320 to 0.951. The Cronbach's alpha coefficient was above 0.6 and was acceptable and considered reliable. The descriptive statistics provided the mean and standard deviation. Regarding the mean, majority of respondents agreed with the statements measuring parental financial teaching (3.03). The standard deviation of parental financial teaching is high showing that the respondents' responses varied.

The results of the KMO, Bartlett's test, validity and reliability showed that data was reliable and suitable to conduct further analysis. Levene's test of homogeneity, Welch robust test for equality of means, Tukey HSD test of homogenous subsets and ANOVA were used to test the hypotheses of the study.

H1: There is a significant difference in parental financial teaching across parental income levels.

Table 3 shows the results of Levene's test of homogeneity of variance between *Parental income* and the component of *Parental financial socialisation*, namely *Parental financial teaching*.

Table 3

Tests of homogeneity of variances for *Parental income* and *Parental financial teaching*

	Levene statistic	df1	df2	Sig.
Parental financial teaching	13.360	4	467	0.000

Source: SPSS

Levene's test for equality of variance revealed that the component of *Parental financial socialisation* showed different variances across the groups. Parental financial teaching had a *p*-value < 0.05. To determine the difference in the mean scores, the Welch robust test of equality of means was conducted. Table 4 reports the results.

Table 4

Robust tests of equality of means of Parental income and Parental financial teaching

		Statistic	df1	df2	Sig.
Parental financial teaching	Welch	120.663	4	138.585	0.000

Source: SPSS

The test for equality of means revealed differences in mean scores across *Parental income* for *Parental financial teaching*. The *p*-value for parental financial teaching was less than 0.05. The Tukey HSD was used to conduct post hoc tests to show homogenous groups and where the differences lay. Table 5 reports the results of the Tukey HSD test of homogenous subsets.

Table 5

Tukey HSD test of homogenous subsets of the relationship between Parental income level and Parental financial teaching

Tukey B a,b Income	Parental financial teaching			
	N	Subset for α = 0.05		
		1	2	3
R5 001 – R10 000	131	2.1921		
less than R5 000	152		2.6425	
R15 001 – R20 000	78			3.9274
R10 001 – R15 000	85			4.0000
R20 001+	26			4.0577

Source: SPSS

The results indicated that there were three homogenous groups. Group 1's mean score for *R5 001 – R10 000* (M = 2.192) and Group 2's mean score for *Less than R5 000* (M = 2.642) were lower than the mean scores of Group 3 for *R10 001 – R15 000* (M = 3.927), *R15 001 – R20 000* (M = 4.000), and *R20 000+* (M = 4.057). This means that the higher the parental income is, the more likely it is that the parents will teach their children about finances. ANOVA showed a strong statistically significant relationship between *Parental income* and *Parental financial teaching*, with F = 94.010 and $p = 0.000$. Thus, the results showed that there is a statistically significant difference in parental financial teaching across parental income levels. This result is consistent with results of other studies in this domain (Serido et al., 2010; Jorgensen & Salva, 2010; Gudmunson & Danes, 2011; Kim & Chatterjee, 2013; Serido et al., 2020; Sirsch et al., 2020). For example, Sirsch, Zupancic, Poredos, Levec and Friedlmeier (2020) found that young adults from a wealthier family background reported greater satisfaction with their own money management abilities, perhaps because they can more easily obtain money for unexpected expenditures from their parents. They are more financially socialised than those from poorer family backgrounds, as parents with a high income tend to financially socialise their children more than parents with a low income. Therefore, this hypothesis was accepted.

H2: There is a significant difference in parental financial teaching across parental levels of education.

ANOVA was used to test this hypothesis related to parental level of education and parental financial teaching. Table 6 shows the results of Levene's test of homogeneity of variance between *Parental level of education* and the component of *Parental financial socialisation*, namely *Parental financial teaching*.

Table 6

Tests of homogeneity of variances: Parental level of education and Parental financial teaching

	Levene statistic	df1	df2	Sig.
Parental financial teaching	6.761	5	466	0.000

Source: SPSS

The results showed that *Parental financial teaching* had different variance across the groups, which had a *p*-value of < 0.05.

The Welch robust test of equality of means was used to determine differences in the mean scores. Table 7 reports the results.

Table 7

Robust tests of equality of means for Parental level of education and Parental financial teaching

		Statistica	df1	df2	Sig.
Parental financial teaching	Welch	110.817	5	168.835	0.000

Source: SPSS

The test for equality of means revealed differences in mean scores across *Parental level of education* for *Parental financial teaching*. The *p*-value was less than 0.05. The Tukey HSD was used to conduct post hoc tests to determine homogenous groups and where the differences lay. Table 8 reports the results.

Table 8

Tukey HSD test of homogenous subsets between Parental level of education and Parental financial teaching

Parental financial teaching			
Tukey Ba,b Education	N	Subset for α = 0.05	
		1	2
Grade 12	132	2.1932	
Lower than Grade 12	110	2.2939	
Diploma	74		3.7680
Honours degree	50		3.8767
Bachelor’s degree	68		3.9853
Master’s degree/Doctorate	38		4.0833

Source: SPSS

The results showed that there were two homogeneous groups for *Parental financial teaching*, which meant that there were differences in *Parental financial teaching* across *Parental level of education*. Group 1’s mean scores for *Grade 12* (M = 2.193) and *Lower than Grade 12* (M = 2.293) were lower than Group 2’s scores for *Diploma* (M = 3.768), *Honours degree* (M = 3.876), *Bachelor’s degree* (M = 3.985), and *Master’s degree/Doctorate* (M = 4.083). This means that parents with a higher level of education are more likely to teach their children about finances. ANOVA indicated a significant relationship between *Parental financial teaching* and *Parental level of education level*, with F = 36.453

and $p = 0.00$. Therefore, there is a statistically significant difference in parental financial teaching across parental level of education. This result is consistent with those of other studies (Shim et al., 2010; Van Campenhout, 2015; Shim, Serido, Tang & Card., 2015; Serido & Deenanath, 2016; Engels, Kumar & Philip, 2020; Zhao & Zhang, 2020; Nomlala, 2021). For example, Engels et al. (2020) indicated that parents' education has a strong correlation with their financial knowledge and influences the quality of their parental financial socialisation. Similarly, Zhao and Zhang (2020) found that parents' education has a positive impact on parental financial socialisation. Thus, parents with a higher level of education are more likely those with lower level of education to engage in financial teaching of their children. Thus, this hypothesis was accepted. Table 9 shows the summary decisions for hypotheses.

Table 9

Summary of hypothesis decisions

Hypothesis	Decision
H1: There is a significant difference in parental financial teaching across parental income levels.	**Accepted**
H2: There is a significant difference in parental financial teaching across parental levels of education.	**Accepted**

Source: Author's own compilation

Table 9 showed the decisions of hypothesis, all two hypotheses (H1 and H2) were accepted. Therefore, because all two hypotheses were accepted, this meant that there is a significant difference in parental financial socialisation across parental SES. These results are consistent with other studies that established a significant difference in parental financial socialisation across parent SES (Serido et al., 2010; Jorgensen & Salva, 2010; Shim et al., 2010; Gudmunson & Danes, 2011; Kim & Chatterjee, 2013; Van Campenhout, 2015; Shim et al., 2015; Serido & Deenanath, 2016; Serido et al., 2020; Nomlala, 2021).

5. Conclusions

The objective of this study was to determine the difference in parental financial socialisation according to parental SES. Levene's test, Welch robust test, Tukey HSD test and ANOVA were used to determine this difference. *Parental SES* was measured through

Parental income level and Parental level of education, while parental financial socialisation was measured through *parental financial teaching*. The results indicated that there is a significant difference in parental financial teaching across parental income level and parental level of education. The results further showed that there is a significant difference in parental financial teaching according to parental level of education. Parents with a high income and higher education tend to financially socialise their children more than those with a low income and lower level of education. Therefore, hypotheses, H1 and H2 were accepted. Thus, the overall results showed that there is a significant difference in parental financial socialisation according to parental SES. Therefore, this study's results are consistent with those of the previous studies. This study contributed to existing knowledge by showing that parental SES is important in parental financial socialisation and must be understood better so that it does not hinder financial socialisation. The contribution of this study will help to shape future discourses in parental financial socialisation and parental SES. There is still need for more studies on parental financial socialisation and parental SES. Therefore, this study recommends that future studies be longitudinal, measuring parental financial socialisation at different stages of life as children grow up. Furthermore, it is recommended that government, financial educators, financial service professionals such as financial institutions, financial counsellors and planners must design programmes aimed at parents with low income and low education level to ensure that they improve on parental financial socialisation. It is very important that these parents understand the importance of their roles in financial socialisation and the impact they have on financial well-being of their children.

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